

(c) and (d) The matter has been discussed with officials of Bangladesh Govt. and both sides have agreed to cooperate in checking smuggling activities and share intelligence in this regard. Further, field formations are alert to check smuggling across Indo-Bangladesh border.

[English]

Smart Cards

505. SHRI MANIKRAO HODLYA GAVIT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have any plan to introduce Smart Cards to replace the notes in day to day money transaction to reduce the pressure on printing and circulation of currency notes; and

(b) If so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) No, Sir.

(b) Does not arise.

[Translation]

Profit and Loss of LIC

506. SHRI THAWAR CHAND GEHLOT: Will the Minister of FINANCE be pleased to state:

(a) the details of loss and profit of the Life Insurance Corporation of India during 1994-95, 1995-96 and 1996-97;

(b) whether the expenditure on establishment and ancillary expenses on organising function by the L.I.C. has been mounting during the last three years;

(c) whether the Government is contemplating to hike the bonus for policy holders of the LIC;

(d) If so, since when; and

(e) If not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Life Insurance Corporation (LIC) of India have reported that due to long

term nature of insurance contracts and the uncertainty associated with future experience regarding deaths, expenses and interest earning the profit and loss for a particular year is not prepared like a trading or manufacturing firms, etc. However, valuing actuary determines 'surplus' every year based on prudent assumptions as to mortality, expenses and interest in the light of past experience.

The surplus declared in the Financial years 94-95 and 95-96 is as under:-

Valuation as at (Surplus)	Rs.
31.3.1995	3218.87 Crs.
31.3.1996	3433.93 Crs.

For 1996-97 the surplus has not been declared so far.

(b) No, Sir.

(c) to (e) Bonus is declared by the LIC on the basis of valuation surplus available at the end of the financial year. The valuation surplus for the financial year 1996-97 has not been determined so far.

[English]

Foreign Assistance to Madhya Pradesh

507. SHRI CHHATAR SINGH DARBAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have approved foreign assistance for some development projects in Madhya Pradesh;

(b) if so, the details thereof; and

(c) the amount proposed to be spent on those projects?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) and (c) As per the Statement attached.

Statement

On-going/approved externally aided projects in Madhya Pradesh

S.No.	Name of the Project	Donor	Total Project Cost	External Aid
1	2	3	4	5
On-going projects				
1.	Indore Slum Improvement	UK	Rs. 34.54 crore	Pds. 14.4 million
2.	Rewa Hospital	OPEC	Rs. 57.56 crore	US \$ 10 million
3.	MP Forestry	WB	US \$ 67.3 million	US \$ 58 million
4.	Eco. Development Project*	WB	US \$ 67 million	US \$ 48 million

1	2	3	4	5
5.	MP Women in Agriculture	Den.	Rs. 6.25 crore	Rs. 6.25 crore
6.	Integrated Livestock Dev. Project Baster	Den.	Rs. 14.01 crore	Rs. 14.01 crore
7.	Comprehensive Watershed Dev. Project in Malwa Region	Den.	Rs. 13.15 crore	Rs. 13.15 crore
8.	Lake Bhopal Conservation	Japan	Yen 8300 million	Yen 7055 million
9.	Rajghat Canal Irrigation	Japan	Yen 17350 million	Yen 13222 million
10.	Tuberculosis Control Proj.*	IDA	Rs. 749.28 crore	US \$ 142.4 million
11.	Reproductive & Child Health Services Project*	IDA	US \$ 308.1 million	US \$ 240 million
12.	Dam Safety Project*	IDA	US \$ 196.8 million	US \$ 130 million
13.	Hydrology Project*	IDA	US \$ 162.4 million	US \$ 142 million
	Approved projects but agreement yet to be signed			
14.	Automatic Forest Fire Watchers at Kanha National Park	France	FF 10 million	FF 10 million
15.	MP Sericulture Project	Japan	Rs. 262 crore	Yen 2212 million
16.	Malaria Control Project	IDA	US \$ 203.9 million	US \$ 164.2 million

*Multi-State/Centrally sponsored project where Madhya Pradesh is a participating State. The loan amount pertains to the project as a whole since State-wise break-up of loan is not available separately.

Non-Banking Financial Companies in Uttar Pradesh

508. SHRI S.P. JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) the details of non-banking financial institutions approved by the Reserve Bank of India to operate in Uttar Pradesh;

(b) whether the Government are aware of the fact that several such institutions have duped the depositors on a large scale;

(c) if so, the action taken against these fraudulent units;

(d) whether the Government propose to impose a ban on these institutions; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Before the recent amendment to the Reserve Bank of India (RBI) Act 1934, there was no requirement for seeking approval or prior permission of RBI before commencing or carrying on the business of Non-Banking Financial (NBFCs).

As reported by RBI the number of NBFCs on the mailing list of RBI, Lucknow were 1855. The number of companies registered under the erstwhile Voluntary Registration Scheme was seven. The number of companies in Uttar Pradesh which have now applied for registration with RBI as per the provisions of Section 45 1A of RBI Act are 1425.

(b) and (c) The information is being collected and will be laid on the Table of the House.

(d) and (e) The RBI Act as amended in 1997 provides that only registered NBFCs can carry on the business of NBFCs. However, existing NBFCs which have applied for registration within the prescribed time limit may carry on business until their application for registration is rejected by RBI. Furthermore, the RBI Act authorises the RBI to prohibit companies from accepting deposits in case of non-compliance with statutory provisions or any directions of RBI. RBI may also, if need be, file a winding up petition in the High Court.

Seizure of Goods by Customs Officials

509. DR. BALIRAM: Will the Minister of FINANCE be pleased to state: